

Serial No. 09/754,465
Attorney Docket No. 10655.9900
AMEX Docket No. 200301935

REMARKS

In reply to the above-identified Final Office Action, Applicants amend the application and seek reconsideration thereof. In this reply, Applicants amend independent claims 1, 39 and 40. Applicants do not cancel or add any new claims in this reply. Furthermore, Applicants amend the specification and submit that no new matter has been added. Accordingly, claims 1, 3-5, 39 and 40 are pending.

I. Claims Rejected Under 35 U.S.C. § 112

The Examiner rejects claim 5 under 35 U.S.C. § 112, first paragraph, as failing to comply with the enablement requirement. Applicants respectfully traverse this rejection. In making the rejection, the Examiner states:

Claim 5 is directed to a wallet server receiving a request that includes transaction data from a smart card. However, the Specification merely recites a user using a smart card to authenticate a transaction. The smart card of the Applicant's system does not send transaction data (Specification, page 10, lines 1-5 and 10-31; page 11, lines 10-32).

The specification clearly describes that the method includes receiving payment information from the transaction instrument (e.g., Smart Card) when it is inserted in to the system, because the specification discloses that the wallet server communicates the information (e.g. "payment" information) to a virtual POS gateway to obtain authorization for the payment information. For example, the specification describes that virtual gateway 190 receives Smart Card information when, on page 10, line 20 – page 11, line 1, the specification states, "Upon receipt of Smart Card information, . . . Virtual gateway 190 queries payment authorization gateway 180 to obtain authorization for the payment." (page 10, line 20 - page 11, line 1). In other words, the virtual gateway must have received the payment information from the smart card in order to submit the payment information for authorization. Accordingly, Applicants respectfully request withdrawal of the rejection of claim 5.

The Examiner next rejects claim 4 under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter

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which Applicants regard as the invention. The Examiner asserts "that either the wallet server is, or at least comprises a wallet (Specification, page 10, lines 20-27), which is not clear in light of the Applicant's Disclosure." Applicants believe the disclosure clearly supports claim 4; however, to expedite prosecution, Applicants amend the specification to more clearly explain the subject matter. The amended specification discloses that, "a graphical representation of a digital wallet included within wallet server 140 appears to the user 110 and user 110 is directed to select a transaction authorization entity, such as American Express (AMEX)." Applicants submit that support for the amendment is in the specification as originally filed, as well as claim 4 as originally filed. Furthermore, Applicants submit no new matter has been added. Thus, Applicants submit claim 4 particularly points out and distinctly claims the subject matter which Applicants regard as the invention. Accordingly, Applicants respectfully request withdrawal of the rejection of claim 4.

II. Claims Rejected Under 35 U.S.C. § 103

The Examiner rejects claims 1-5, 39 and 40 under 35 U.S.C. § 103(a) as being obvious over U.S. Patent No. 6,327,578 issued to Linehan ("Linehan"). Applicants respectfully traverse these rejections.

In making the rejection, the Examiner characterizes Linehan as essentially showing, each of the elements of claim 1 in the instance when, by coincidence, a merchant and a user share the same bank or financial institution. The networks disclosed in Linehan send "from a consumer's computer a start message over an internet to a merchant's computer." Linehan, Column 4, lines 10-12. "The merchant's computer then replies to the consumer's computer with a merchant message including a wallet initiation message, a merchant digital signature, and a digital certificate from an acquiring bank." Id., lines 12-16. The consumer's wallet program is then started in the consumer's computer in response to the wallet initiation message. "The consumer's computer then sends over the internet network some consumer identity and authentication information, such as a userid and user password, plus the merchant message, to an issuer gateway operating on behalf of an issuing bank." Linehan, Column 4, lines 19-23. Thus, in Linehan, the computer sends consumer identity and authentication information. Notably,

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the Linehan system does not disclose or suggest acquiring data directly off of a transaction instrument to verify that the consumer is in actual possession of the transaction instrument. As such, Linehan does not disclose, teach or suggest, for example, "a transaction instrument, wherein said transaction instrument includes signature data configured to authenticate that said transaction instrument was physically interfaced with said wallet server", as recited by independent claims 1, 39 and 40. Accordingly, Applicants respectfully request withdrawal of the rejection of independent claims 1, 39 and 40.

Claims 3-5 each depend from claim 1 and contain all of the elements thereof. Therefore, Applicants respectfully submit that claims 3-5 are not obvious over Linehan and are in condition for allowance at least for the same reasons as claim 1 described above, as well as in view of their own respective features. Accordingly, Applicants respectfully request withdrawal of the rejection of claims 3-5.

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III. Conclusion

In view of the foregoing, Applicants assert that all claims now pending are in condition for allowance. A Notice of Allowance is earnestly solicited at the earliest possible date. If the Examiner believes that a telephonic conference would be useful in moving the application forward to allowance, the Examiner is encouraged to contact the undersigned at (602) 382-6389.

Applicants authorize and respectfully request that any fees due be charged to Deposit Account No. 19-2814.

Respectfully submitted,

Dated:

12/22/04

By:

Jason R. Graft

Jason R. Graft, Reg. No. 54,134

SNELL & WILMER L.L.P.
400 E. Van Buren
One Arizona Center
Phoenix, Arizona 85004-2202
Phone: 602-382-6389
Fax: 602-382-6070